Form FHA 021-4

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT HARRISBURG, PENNSYLVANIA

TO: ISSUE NO. 267

State Office STATE PROCEDURE

Area Office NOTICE DATE: 7/11/02

RURAL DEVELOPMENT MANUAL CHANGE

Attached is the Forms Manual Insert for Form RD-PA 1955-C-2 for the release of the restrictive covenant from the quitclaim deed. This is the supplement mentioned in paragraph 1955.116(d) of FmHA Instruction 1955-C.

When a request is made to release the restrictive covenant from the quitclaim deed, an inspection should be made of the property. We need to determine that the property meets the definition of decent, safe, and sanitary (DSS) housing set forth in RD Instruction 1955-C, 1955.103

DSS housing is further referrenced in HB-1-3550, Chapter 5, Section 5.7. Per the Handbook, to verify a major system or building component is adequate, State-licensed inspectors must certify that the dwelling has been inspected and meets Agency standards with respect to that system or building component. Pennsylvania does not license inspectors, so a qualified, independent, third party inspector may provide these certifications. It will be the responsibility of the owner to obtain and pay for these inspection certifications.

If the property meets the requirements of decent, safe, and sanitary housing as indicated in paragraph 1955.103 of RD Instruction 1955-C, then the attached Form RD-PA 1955-C-2 should be prepared and forwarded to this office for execution.

It is the responsibility of the present owner to have the release recorded when it is returned to your office.

REMOVE: Form RECD-PA 1955-C-2, dated 03/14/96.

INSERT: Form RD-PA 1955-C-2, dated 7/11/02.